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### REMARKS/ARGUMENTS

This Amendment is in response to the Office Action mailed April 6, 2006.

In the Office Action, claims 1-26, 28-39, and 41-52 stand rejected under 35 U.S.C. § 103.

Applicants have amended independent claims 1, 13, 26, and 45 to further clarify the embodiments of the invention. Applicants have also canceled claims 2, 14, 39-44, and 46, without prejudice.

Reconsideration in light of the amendments and remarks made herein is respectfully requested.

# Rejection Under 35 U.S.C. § 103

Claims 1, 3-6, 8-13, 15-18, 21-26, 28-32, 34-39, 41-45, and 47-52 stand rejected under 35 U.S.C. § 103(a) as being allegedly obvious over U.S. Patent No. 5,822,123 issued to Davis (hereinafter Davis) in view of U.S. Patent No. 6,314,572 issued to LaRocca (hereinafter LaRocca). Claims 2, 7, 14, 19, 20, 33, and 46 stand rejected as being allegedly obvious over Davis in view of LaRocca and even further in view of provisional patent application 60/301,087 to Kikinis (hereinafter Kikinis). Other various dependent claims also stand rejected as being allegedly obvious in view of Davis, LaRocca, and/or Kikinis as set forth in the Office Action.

Applicants have canceled dependent claims 2, 14, and 46 and have incorporated their limitations into amended independent claims 1, 13, and 45, respectively. Applicants have also amended independent claim 26.

Applicants respectfully submit that the limitations of amended independent claims 1, 13, 26, and 45 are not taught or suggested by the Office Action's proposed 3-way combination of Davis, LaRocca, and Kikinis. Further, Applicants respectfully submit that Davis, LaRocca, and Kikinis are not properly combinable because LaRocca teaches away from the Office Action's proposed combination.

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On page 3 of the Office Action, the Examiner cites Davis for allegedly teaching a basic client terminal comprising a video distribution system interface, a display interface, a user interface, a terminal controller, etc.

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However, on pages 3-4 of the Office Action, the Examiner acknowledges that Davis fails to disclose "if the selected program entry is for a non-subscribed channel...selecting a bundle of channels based upon a subscription matrix for the user, the selected program guide entry, and available bundles of channels for subscription...transmitting a subscription request for the selected bundle of channels to the video distribution system."

On page 4 of the Office Action, the Examiner attempts to combine Davis with LaRocca in an attempt to teach or suggest these claim limitations.

Further, in an attempt to render obvious dependent claims 2 and 14, now re-written as independent claims 1 and 13, and in an attempt to render obvious independent claim 26, the Office Action further attempts to combine Davis and LaRocca with Kikinis, which the Examiner asserts teaches limitations related generally to recommending at least one bundle of channels for subscription by the user. On page 16 of the Office Action, the Office Action states that Davis and LaRocca fail to disclose "recommending at least one bundle of channels for subscription by the user" and the Examiner attempts to utilize Kikinis for this teaching.

As will be discussed, Applicants respectfully submit that the combination of Davis, LaRocca, and Kikinis does not teach or suggest the claim limitations of Applicants' amended independent claims 1, 13, 26, and 45, and in fact, LaRocca teaches away from Applicants' claim limitations.

Amended independent claims 1 and 13 generally relate to a client terminal and a computer program for use in a client terminal for...upon selection of a program guide entry that is for a non-subscribed channel...recommending at least one bundle of channels for subscription by the user based upon a subscription matrix for the user, the selected program guide entry for the non-subscribed channel, and available bundles of channels for subscription...accepting user input to select the bundle of channels for subscription by the user...and...transmitting a subscription request for the selected hundle of channels to the video distribution system.

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Amended independent claim 26 generally relates to a method for selecting a bundle of channels comprising the steps of... upon selection of a program guide entry that is for a non-subscribed channel ... performing processing at the client terminal to recommend at least one bundle of channels for subscription by the user based upon a subscription matrix for the user, the selected program guide entry for the non-subscribed channel, and available bundles of channels for subscription... accepting user input to select a bundle of channels for subscription by the user... and transmitting a subscription request for the selected bundle of channels from the client terminal to a video distribution system.

As previously discussed, on page 16 of the Office Action, the Examiner acknowledges that the combination of Davis and LaRocca does not teach or suggest: "recommending at least one bundle of channels for subscription by the user." Thus, the Examiner relies on Kikinis.

As acknowledged by the previous Office Action, the published Kikinis patent application cannot be relied upon and only the original Kikinis provisional patent application may be relied upon.

Applicant respectfully submits that the original Kikinis provisional patent application does not teach or suggest that upon a selection of a program guide entry that is for a non-subscribed channel, at least one bundle of channels is recommended for subscription by the user based upon a subscription matrix for the user and the selected program guide entry for the non-subscribed channel...

As set forth on page 3 of the Kikinis original provision patent application upon which the Office Action relies, Kikinis states that:

Figure 4 shows a process flow in a case for changing programming. It may be that the customer has, for example, seen a promotion offering a new programming package, or the customer may be prompted through an interactive ad to review his current subscription versus his actual usage pattern.

The customer enters the process at arrow 420. In step 401, his historic usage pattern is analyzed. Then in step 402 attempts by the customer to view or record currently unavailable programs are added to that analysis. For example, the customer may have been trying to record programs from HBO, even though he doesn't currently subscribe to HBO.

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> Based on the customer's history of program viewing and attempts to view programs, the system then makes a recommendation of packages in step 403. The process would then continue as in Figure 2, step 223. (Emphasis added).

As set forth above, it is clear that Kikinis relates to a process to up-sell promotional packages based upon a promotional offering that the customer has previously seen or based upon an interactive ad. Previous attempts to view programs or certain channels are merely added into the analysis. The system then makes a recommendation. There is no teaching or suggestion that the client terminal makes the recommendation.

Moreover, Kikinis only teaches a guided set-up procedure. As described on page 1 of Kikinis: "Figure 1 shows a screen 100 that could appear when the user enters the set-up section of an interactive television device, typically a set-top box...Screen 100 has, for example, guided set-up options, such as "Initial Set-Up," "Move" (to help the customer change service when, for example, when he moves to another address), or "Counsel on New Promotions" which the customer could access if he sees advertisements for new packages and he's interested in learning more about them." Figures 2-4 upon which the Office Action relics are procedures to effectuate these guided set-up options. Kikinis does not disclose or suggest that any bundle of channels is recommended upon the selection of a program guide entry that is for a non-subscribed channel. Rather, the recommendation taught by Kikinis is presented in response to triggers such as moving or viewing an interactive advertisement.

There is quite simply no teaching or suggestion in Kikinis that upon selection of a program guide entry that is for a non-subscribed channel ... at least one bundle of channels is recommended for subscription by the user based upon a subscription matrix for the user and the selected program guide entry for the non-subscribed channel... These limitations as set forth in amended independent claims 1, 13, and 26 are simply not taught or suggested by Kikinis.

Thus, Applicants respectfully submit that the limitations of amended independent claims 1, 13, and 26 are clearly not taught or suggested by Kikinis in combination with Davis and in combination with LaRocca, and that these claims should be allowable.

Further, with respect to amended independent claim 45, Applicant respectfully submits that nowhere does the original Kikinis provisional patent application teach or suggest a

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promotion display that is automatically presented as part of the program guide and that is selected by a preference engine of the client terminal based upon a user's viewing patterns.

As previously discussed, Kikinis only relates to a guided set-up procedure in which customers may select a promotional offer that they have previously seen (c.g., in an advertisement), or they may be prompted through an interactive ad to review their current subscription. There is no teaching or suggestion in Kikinis that a promotion display may be automatically presented as part of a program guide. Nor is there any teaching or suggestion that a promotion display may be selected by a preference engine of the client terminal. In fact, there is no teaching or suggestion of a preference engine in Kikinis.

For the above reasons, Applicants respectfully submit that Kikinis does not teach or suggest the claim limitations set forth in amended independent claim 45 and that amended independent claim 45 should be allowable.

Further, Applicants respectfully submit that the Office Action has engaged in hindsight reconstruction by combining Davis with LaRocca, and even further with Kikinis, in order to recreate Applicants' claims, when LaRocca clearly teaches away from this combination.

Applicants respectfully submit that the Office Action has made a fundamental error with respect to combining LaRocca with Davis.

With respect to obviousness, as set forth by the Federal Circuit in <u>In re Kotzab</u>, 55 U.S.P.Q.2D (BNA) 1313, 1316-1317 (Fed. Cir. 2000):

Most if not all inventions arise from a combination of old elements. Thus every element of a claimed invention may often be found in the prior art. However, identification in the prior art of each individual part claimed is insufficient to defeat patentability of the whole claimed invention. Rather, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion, or teaching of the desirability of making the specific combination that was made by the applicant. (Emphasis added.)

As stated in the MPEP, "[i]t is improper to combine references where the references teach away from their combination." MPEP § 2145 (cmphasis added). As further set forth in MPEP § 2143.01 when a §103 rejection is based upon a modification of a reference that destroys the

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intent, purpose or function of the invention disclosed in the reference, such a proposed modification is not proper and the prima facie case of obviousness cannot be properly made.

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On page 2 of the Office Action, the Office Action states that it disagrees with Applicants' assertion that LaRocca teaches away and states: "In response, LaRocca was brought in to teach only if the selected program guide entry is for a non-subscribed channel selecting a bundle of channels...and transmitting a subscription request...system."

Applicant respectfully submits that this is a fundamental error.

As set forth in MPEP § 2141.02: "A prior art reference must be considered in its entirety, i.c., as a whole, including portions that would lead away from the claimed invention." (Emphasis added.)

Thus, LaRocca cannot be utilized only for selected portions whereas the other portions of LaRocca that teach away from combination with Davis and Kikinis are disregarded. This is a fundamental error.

Accordingly, Applicants respectfully request that the Examiner remove these grounds for rejection and allow independent claims 1, 13, 26, and 45, and the claims that depend therefrom, and pass these claims to issuance.

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#### Conclusion

In view of the remarks made above, it is respectfully submitted that pending claims 1, 3-13, 15-26, 28-38, 45, and 47-52 define the subject invention over the prior art of record. Thus, Applicant respectfully submits that all the pending claims are in condition for allowance, and such action is earnestly solicited at the earliest possible date. The Examiner is respectfully requested to contact the undersigned by telephone if it is believed that such contact would further the examination of the present application. To the extent necessary, a petition for an extension of time under 37 C.F.R. is hereby made. Please charge any shortage in fees in connection with the filing of this paper, including extension of time fees, to Deposit Account 02-2666 and please credit any excess fees to such account.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Dated: 7/6/2006

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#### Attachments

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